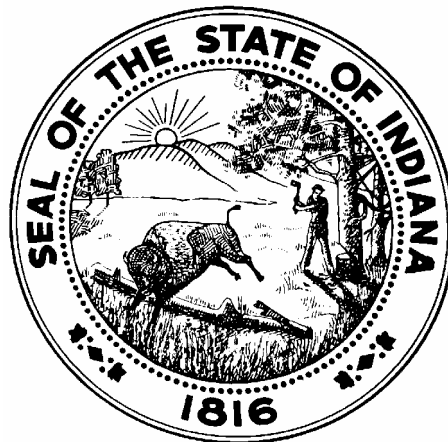


**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2765**

REVIEW REPORT  
OF  
TREASURER OF STATE  
STATE OF INDIANA  
July 1, 2002 to June 30, 2003





## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Agency Officials.....	2
Transmittal Letter .....	3
Required Schedules:	
Disclosure of Receipts, Disbursements, and Principal Due Per IC 21-1-3-11 .....	4-5
Investments and Principal Due Disclosure Per IC 21-1-3-11 .....	6
Exit Conference .....	7

AGENCY OFFICIALS

Office

Official

Term

Treasurer of State

Mr. Timothy Berry

02-10-99 to 02-09-07



# STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

TO: THE OFFICIALS OF THE OFFICE OF THE TREASURER OF STATE

We have reviewed the receipts, disbursements, and assets of the Treasurer of State for the period of July 1, 2002, to June 30, 2003. The Treasurer of State's management is responsible for the receipts, disbursements, and assets.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on receipts, disbursements, and assets. Accordingly, we do not express such an opinion.

Financial transactions of this office are included in the scope of our audits of the State of Indiana as reflected in the Indiana Comprehensive Annual Financial Reports.

Based on our review, nothing came to our attention that caused us to believe that the receipts, disbursements, and assets of the Treasurer of State are not in all material respects in conformity with the criteria set forth in the Accounting and Uniform Compliance Guidelines Manual for State Agencies, and applicable laws and regulations.

STATE BOARD OF ACCOUNTS

October 23, 2003

TREASURER OF STATE  
REQUIRED SCHEDULES  
June 30, 2003

Disclosure of Receipts, Disbursements, and Principal Due Per IC 21-1-3-11

	Common School Fund	IU Permanent Endowment Fund	Purdue Trust Fund
Receipts:			
Fines/Penalties	\$ 6,740,475.26	\$ -	\$ -
Interest	-	15,979.77	6,918.53
Repayment of Purchased Loans (Note 1)	17,053,559.75	-	-
Repayment of Loans	24,078,020.19	-	-
Sale of Investments	<u>514,341,133.38</u>	<u>2,355,900.00</u>	<u>1,020,000.00</u>
Total Receipts	<u>562,213,188.58</u>	<u>2,371,879.77</u>	<u>1,026,918.53</u>
Disbursements:			
Investment Purchases	454,945,464.59	2,355,900.00	1,020,000.00
Nontaxable Reimbursement	-	-	-
Loan Advances	98,715,183.28	-	-
Distributions	<u>13,414,777.40</u>	<u>25,853.46</u>	<u>16,423.98</u>
Total Disbursements	<u>567,075,425.27</u>	<u>2,381,753.46</u>	<u>1,036,423.98</u>
Total Receipts Over (Under) Disbursements	(4,862,236.69)	(9,873.69)	(9,505.45)
Transfers (Note 2)	9,796,435.78	-	-
Cash Balance, July 1, 2002	<u>17,095,256.12</u>	<u>25,853.46</u>	<u>10,811.81</u>
Cash Balance, June 30, 2003	<u>\$ 22,029,455.21</u>	<u>\$ 15,979.77</u>	<u>\$ 1,306.36</u>
Investments, July 1, 2002	\$ 159,461,224.52	\$ 785,300.00	\$ 340,000.00
Purchase of Investments	454,945,464.59	2,355,900.00	1,020,000.00
Sale of Investments	<u>(514,341,133.38)</u>	<u>(2,355,900.00)</u>	<u>(1,020,000.00)</u>
Investments, June 30, 2003	<u>\$ 100,065,555.73</u>	<u>\$ 785,300.00</u>	<u>\$ 340,000.00</u>
Interest Received From Investments (Note 3)	<u>\$ 2,837,441.18</u>	<u>\$ 15,979.77</u>	<u>\$ 6,918.53</u>
Loans Outstanding July 1, 2002	\$ 301,541,186.81		
Loan Advances	98,715,183.28		
Repayment of Loans	<u>(24,078,020.19)</u>		
Loans Outstanding June 30, 2003	<u>\$ 376,178,349.90</u>		
Interest Received on Loans (Notes 3)	<u>\$ 11,885,643.06</u>		

The accompanying notes are an integral part of this schedule.

TREASURER OF STATE  
REQUIRED SCHEDULES  
June 30, 2003  
(Continued)

DISCLOSURE OF RECEIPTS, DISBURSEMENTS, AND PRINCIPAL DUE PER IC 21-1-3-11 (Continued)

Note 1. Repayments of Purchased Loans

Repayments of Common School Fund Loans purchased by the Indiana Bond Bank are made through Tuition Support withholdings transferred to the Common School Fund. These repayments are to be distributed to the Indiana Bond Bank. They are not repayments of loans held by the Common School Fund.

Note 2. Transfers

\$25,925,112 was transferred from the Abandoned and Unclaimed Property Funds to the Common School Fund per Indiana Code 32-9-1.5-34 and 32-9-8-4. \$16,128,676 was transferred out of the Common School Fund

Note 3. Interest Earned on Common School Fund Loans and Investments

The Common School Fund interest is deposited in the State's General Fund and annually appropriated for the support of common schools in accordance with Indiana Code 21-1-1-1.5. A portion of this interest was collected as accrued interest from the Bond Bank (see Note 1).

Note 4. Cash

Cash represents the "cash" object balances on the Auditor of State's accounting system which consists of funds pooled for the purchase of investments.

TREASURER OF STATE  
REQUIRED SCHEDULES  
June 30, 2003

Investments and Principal Due Disclosure Per IC 21-1-3-11

The total investments at June 30, 2003 for the Indiana University Permanent Endowment Fund, the Purdue University Trust Fund and the Common School Fund as follows:

<u>Description</u>	<u>Maturity Date</u>	<u>Original Cost</u>
<b>Indiana University Permanent Endowment Fund</b>		
Certificates of Deposit		
Flagstar Bank, Jackson, MI	06-19-03	\$ <u>785,300.00</u>
<b>Purdue University Trust Fund</b>		
Certificates of Deposit		
Flagstar Bank, Jackson, MI	06-19-03	\$ <u>340,000.00</u>
<b>Common School Fund</b>		
Certificate of Deposit:		
1st Source Bank, South Bend	12-03-03	\$ 1,000,000.00
Community First Bank, Corydon	11-26-03	100,000.00
First Merchants Bank, Muncie	12-03-03	1,000,000.00
First United Bank, Middletown	11-26-03	400,000.00
Fifth Third Bank, Evansville	12-03-03	1,000,000.00
Lake City Bank, Warsaw	12-03-03	1,000,000.00
MetroBank, Indianapolis	11-26-03	100,000.00
Old National Bank, Evansville	12-03-03	1,000,000.00
Old National Bank, Evansville	12-03-03	2,000,000.00
Mainsource Bank, Greensburg	11-26-03	100,000.00
Star Financial Bank, Fort Wayne	11-26-03	100,000.00
State Bank of Medora, Medora	11-26-03	100,000.00
Terre Haute First National Bank, Terre Haute	12-03-03	<u>1,000,000.00</u>
Total Certificates of Deposit		<u>8,900,000.00</u>
Government Securities:		
Bank One, Chicago	07-01-03	258,000.00
Bank of New York, New York	12-03-03	9,951,388.89
Bank of New York, New York	07-01-03	24,894,965.28
Bank of New York, New York	10-24-07	1,004,945.56
Bank of New York, New York	12-31-03	14,932,241.67
Bank of New York, New York	08-14-03	10,230,888.33
Bank of New York, New York	08-14-03	<u>19,918,862.11</u>
Total Government Securities		<u>81,191,291.84</u>
T-Bill Investments:		
Bank of New York, New York	08/28/03	<u>9,974,263.89</u>
Total Investments		<u>\$ 100,065,555.73</u>

TREASURER OF STATE  
EXIT CONFERENCE

The contents of this report were discussed on November 12, 2003, with Mr. Timothy Berry, Treasurer of State. Our review disclosed no material items that warrant comment at this time.